SCHAPIRO DECLARATION EXHIBITS CONTINUED

Schapiro Exhibit 161

From: Chad Hurley <chad@youtube.com>
Sent: Sunday, June 26, 2005 11:37 AM
To: Steve Chen [redacted]
Cc: Karim Jawed [redacted]
Subject: Re: crappy videos

I rejected the one's I could...

I think we should reject the rest of his/her's, that were previously approved...

http://www.youtube.com/profile_videos.php?user=TheOCRox331

it's all copyrighted crap.

-chad

On Jun 26, 2005, at 12:05 PM, Steve Chen wrote:

> I think we should reject them. I agree.
>
> I agree with your stance. We have to look at each of them
> carefully but the uploading of an entire season of shows is just
> stupid.
>
> -s
>
> On Jun 26, 2005, at 12:03 PM, Chad Hurley wrote:
>
>
>> Yo guys,
>>
>> This user, TheOCRox311, is uploading crappy videos... like the
>> entire season finale of "Charmed" in 5 parts.
>>
>> I really want to start rejecting copyrighted material now. I think
>> the key to our success is personal videos. If we are going to
>> build this service, I think we should do it right and start
>> enforcing this rule. We are not another "StupidVideos" or
>> "Bittorrent".
>>
>> Viral videos are fine, like the airplane videos you found on the
>> web or funny commercials people upload. But when it blatantly
>> comes from a network or movie, we shouldn't mess around... we are
>> going to be big and will perhaps someday even offer premium
>> content, so I don't want to get sued or piss anyone off.
>>
>> What do you think? Do you care if I reject all of "TheOCRox311's"
>> crap right now?
>>
>> -Chad
>>
>>
>
>

>

Schapiro Exhibit 162

To: "Chad Hurley" [redacted], "Steve Chen" [redacted]
From: "Jawed" [redacted]
Cc:
Bcc:
Received Date: 2005-04-17 21:51:30 GMT
Subject: YouTube FAQ - for Chad

Q: What kind of videos can I upload?

A: The videos you upload should be about you (hence, YouTube!). Show off your unique style, talents, hobbies, or anything else about yourself you want to share with the world. We don't allow any nudity and your video must be appropriate for all audiences. Videos which violate these rules will be removed.

--

Q: How many videos can I upload?

A: You can have a maximum of five videos on the site. You can always upload more videos by deleting one of your older videos.

--

Q: How long can my video be?

A: There is no time limit on your video, but the video file you upload must be less than 50 MB in size.

--

Q: What video file formats can I upload?

A: YouTube accepts video files from most digital cameras in the .AVI, .MOV, and .MPG file formats.

--

Q: How can I make my videos more entertaining?

A: We encourage you to spice up your videos by using simple video editing software such as Windows MovieMaker (included with every Windows installation), or Apple iMovie. Using these programs you can easily edit your videos, add soundtracks, etc.

--

Jawed

Jawed Karim http://jawed.com/

<?xml version="1.0" encoding="UTF-8"?>
<!DOCTYPE plist PUBLIC "-//Apple Computer//DTD PLIST 1.0//EN" "http://www.apple.com/DTDs/PropertyList-1.0.dtd">
<plist version="1.0">
<dict>
	<key>flags</key>

```
        <integer>8590195841</integer>
        <key>original-mailbox</key>
        <string>imap://m3092049@mail.chadhurley.com/INBOX/old-messages</string>
        <key>remote-id</key>
        <string>3043</string>
</dict>
</plist>
```

Schapiro Exhibit 163

From: Jawed Karim [redacted]
Sent: Thursday, April 28, 2005 2:36 AM
To: info <info@video-link.com>
Subject: interesting video link

Hi, I thought you might find this interesting. A site called "YouTube" has just launched. It allows members to post and share personal videos they've made. The site aims to become a community of digital video authors and their videos.

http://www.youtube.com/

Schapiro Exhibit 164

To: "andrew.orlowski@theregister.co.uk" <andrew.orlowski@theregister.co.uk>
From: "Steve Chen" [redacted]
Cc:
Bcc:
Received Date: 2005-05-01 22:37:32 GMT
Subject: any interest in writing about YouTube?

Andrew:

I came across your story on The Register regarding internet video. We just launched a new website, www.YouTube.com, based on the idea of video blogging where members would take clips ranging from the mundane to the fascinating. Our hope is that a community would be built around "channels" such as "Sports", "Kids", "Vacations", "Cars", etc.

It's our belief that the technology behind videos has reached primetime. With technologies like divx/xvid, flash 7 with its sorenson compressor, mp3 compression of the audio tracks, and most importantly, pervasive broadband, this is the time for internet video to blossom.

I'd love to have you take a look at our site and give us any feedback you may have.

Thanks!

-s

Schapiro Exhibit 165

To: "Chad Hurley" [redacted], "Jawed Karim" [redacted]
From: "Steve Chen" [redacted]
Cc:
Bcc:
Received Date: 2005-04-29 07:13:09 GMT
Subject: another cl ad

YouTube.com is in need of creative content! Unleash your creative side and earn $20 in the process!

YouTube.com is a web-based community based around creative and fun videos. We are seeking folks who possess a dash of technical know-how and a truckload of flare.

If you are female or an extremely creative male between the ages of 18 to 45

and if you have a digital camera that can create short video clips, please follow these steps to earn $20:

1. Visit the website at www.YouTube.com and sign up for a new account.
2. Contact steve@youtube.com with the username you used to sign up.
3. Upon approval, upload 3 different videos of yourself. There are some simple requirements for the videos we'd like to see:

   a) videos must be interesting!
   b) videos must be created by you!

4. After uploading the videos, please send another email to steve@youtube.com. You will consequently receive $20 via PayPal.

Our hope is that this experience will not much of your time and you'll have a bit of fun in the process. Of course, we'd prefer it if you would continue to use the site and help grow out this budding community.

-s

Schapiro Exhibit 166

To: "Chad Hurley" <chad@youtube.com>
From: "Jawed" [redacted]
Cc: "Steve Chen" [redacted], "Pan Yu" [redacted], "Solomon Mike" [redacted]
Bcc:
Received Date: 2005-07-18 18:19:39 GMT
Subject: Re: YouTube Contact regarding Product Question

Hmm maybe you're right, I guess you never really know what helps, so it's best to try different things.

Jawed

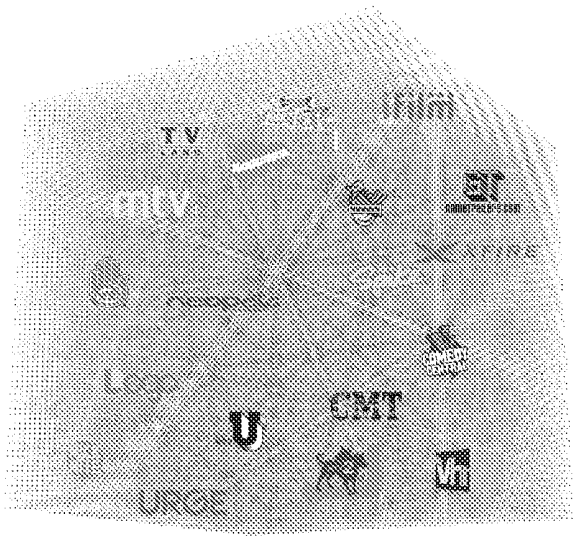
---
http://www.jawed.com/

On Mon, 18 Jul 2005, Chad Hurley wrote:

> this is an awesome email!
>
> yeah, i'm only paying a few bucks a day to run some ad words...
> probably a good idea just to keep it up to generate a few quality
> leads. and this is exactly what i'm targeting, people that will add
> videos (video bloggers, people looking for free video hosting, etc.)
> so it's not really to generate traffic.... just good active users,
> which is much different for the traffic we are getting from these
> other sites.
>
> -chad
>
>
>
>
>
>
> On Jul 18, 2005, at 9:58 AM, Steve Chen wrote:
>
> > good shit.
> >
> > maybe it's still a good idea to keep up the google ads?
> >
> > -s
> >
> > Begin forwarded message:
> >
> >> From: "Roby or Cathy Hayes" [redacted]
> >> Date: July 18, 2005 4:55:07 PM PDT
> >> To: steve@youtube.com
> >> Subject: Re: YouTube Contact regarding Product Question
> >>
> >>
> >>
> >> Wow--thanks for the fast response. As to how I found your site:
> >> My son-in-law is serving in Iraq right now, but his server won't
> >> let him open videos through email. My daughter has been burning

> >> DVDs of their new baby to send to him, but I wanted to find a
> >> faster way to get him in touch with his son, so I started googling
> >> for "video blogs" and "free video blogs" etc. Your site was
> >> listed to the right as a sponsored link.
> >>
> >> We've only just started today, so the jury is still out on whether
> >> he can open the website from there or not---still, your site is
> >> incredible and a wonderful public service. It's easy to use too.
> >> Thank you.
> >> Cathy Hayes
> >>
> >>
> >> -- Steve Chen <steve@youtube.com> wrote:
> >> Hi there --
> >>
> >> The videos will be up there permanently!
> >>
> >> We plan on launching several new features in the coming weeks that
> >> will make it easier to _share_ videos that you've uploaded with your
> >> family, friends, and co-workers.
> >>
> >> Curiously, how did you find the site?
> >>
> >> -s
> >>
> >> On Jul 18, 2005, at 8:48 AM, [redacted] wrote:
> >>
> >>
> >> I just found your site and it's WONDERFUL. Thank you for that. How
> >> long will a video be available for viewing here?
> >>
> >>
> >>
> >>
> >>
> >
>
>

Schapiro Exhibit 167



Online Distribution

Strategic Plan

August 2006

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Objective: Make Decisions

*"Contrary to popular belief, your decisions don't drive your long term success - **your decisiveness does**.*

*Said another way, when you reach a crossroads on any issue, **the act of choosing creates power,** not the choice itself. The issue is momentum.*

*No matter what you choose, when you commit boldly with conviction, you create momentum. When you hesitate you don't. And **success is built on momentum**."*

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AGENDA

I. What are the Digital Guiding Principles?

II. What are the Archetypes of Consumer Relationships?

A. Retail (aka Download-to-Own)
B. Linear/On-Demand (aka Video Aggregators)
C. MTVN Sites/Destinations (e.g., MTV.com/Overdrive)
D. New Forms of Audience Aggregation (e.g. Music Wiki)

III. How do we build Momentum with each Archetype?

A. What is it?
B. Why does it matter?
C. How does it fit into overall vision?
D. Applying the Guiding Principles
E. What is the process/how do business units work together?

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I. Defining Online Initiatives

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Online Initiatives | Key Objectives

1. **Create Game Changers**
2. Be a **First Mover**
3. Build a **Portfolio to capture traffic**
4. **Maximize Benefits** to MTVN Stakeholders
5. **Execute, Measure, Learn, Optimize**

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Game Changers | What are they?

MTVN should use the online screen as a means of extending its on air presence, generating incremental revenues, and capturing online mindshare

Extending Video Online

Broadband screen as incremental programming window / ad sales outlet / promo vehicle (e.g. video aggregators, hyperdistribution)

Brings 2D to a 3D platform

Platform Stickiness drives Content Depth

Selling Shovels vs. Mining Gold (?)

Expansion of consumer value exchange *(MTVN = creator/owner)*

New mass market medium

Leverages existing technology

Relatively passive experience

Dependent on license fees and/or display advertising

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Game Changers | Why do we need them?

The dimensions of competition in online video consumption as it currently exists will not support a clear "winner"

Low/No barriers to entry implies that:

- New entrants can immediately be competitive (e.g., Heavy.com)
- The online screen can fragment audiences in a huge way; realistically enabling the SuperNiche (e.g., the Long Tail)
- Proliferation of user generated content accelerates the pace of innovation from seasonal to daily
- Video Aggregators capture zeitgeist infinitely faster than programmers (e.g., Diet Coke + Mentos)

Video alone doesn't feed "the Beast" (our development pipelines):

- Original programming is a small fraction on-air time for MTVN — we feed the on-air beast with repeats
- Online consumption patterns show limited consumption of repetitive content; instead the beast is fed with the community
- MTVN can use brands to catalyze Many-to-Many content creation

Aggregating a sizable share of online viewers via simple video distribution will be a dogfight at best;
we must redefine the rules of competition and success metrics

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Game Changers | Why do we need them?

- The dimensions of content competition are vastly different online vs. on TV - particularly with respect to video
- It's inexpensive and simple to post video content to the internet – which exponentially increases the amount of consumer choice
- YouTube's library of clip content (all on demand) currently grows by over 2000 hours a day[1] – whereas our own (scheduled) linear nets air approximately 370 new hours each month)

Of YouTube's top 100 viewed clips of all time, nearly ALL are user-generated

1 Assumes 65k 2 minute clips uploaded / day

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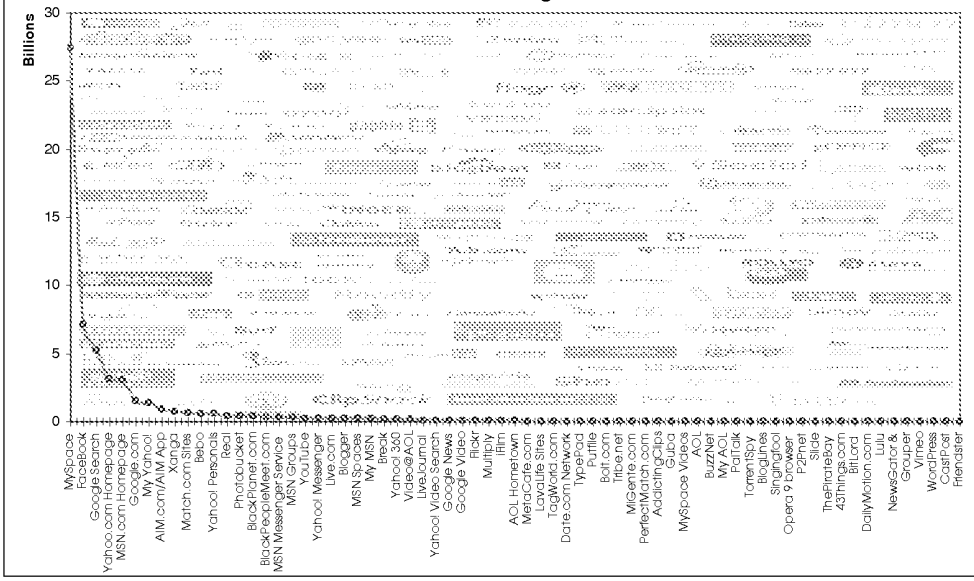
Game Changers | Why do we need them?

- Not only is it easier to create and post content, but there has been an explosion in the outlets where users can find and consume the video that is most appealing to them; online video is now accessible via literally hundreds of sites

Video Sites: Page Views



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Game Changers | Why do we need them?

MySpace Example Page

MySpace was aggregated audience—not video destination.
Fox leverage giant audience and ecosystem to reintroduce itself.

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Game Changers | New Content Experiences

"Embedding content in a rich experience is one of the keys to being able to charge for content in a digital environment. Doing so requires a deep audience understanding and the ability to move beyond content…"
–- Forrester

- The proliferation of content choice and availability will challenge any company's ability to aggregate a majority of online viewers; even full distribution of online content across outlets cannot guarantee market dominance
- ***Consequently, MTVN must define new ways to capture value from an online presence – it is that value that will fund our ongoing creative and technology development***
  - The internet content experience need not be centered on simple video consumption
  - The online platform and associated technologies afford a variety of functionalities that could drive totally new content experiences
    - Broadband / device combination enables an **unprecedented coordination of software, community, and content** – we can offer something the TV world has NEVER seen
    - PC, Broadband-enabled game consoles, wi-fi devices, media centers, home networks, etc: all could serve as a **contact point for integrated or expanded content experiences**
    - Customization, creation, and search can all migrate to the consumer edge
  - MTVN must build an organization that supports a robust development pipeline and encourages ongoing innovation

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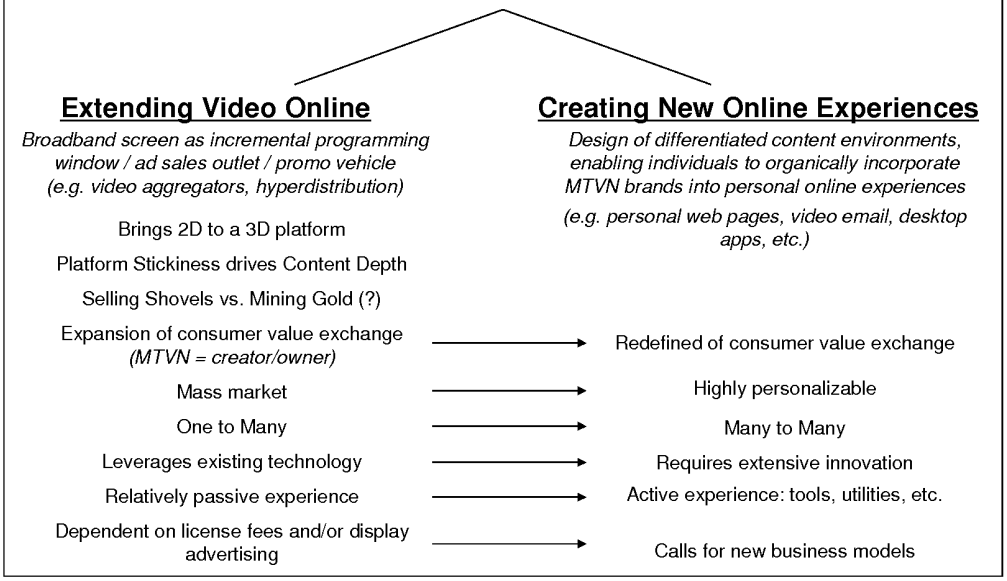
Game Changers | What are they?

Pursuing entirely new content experiences will allow us to aggregate audiences and change consumption patterns in a way video alone cannot; thereby crafting new drivers of online business that maximally benefit MTVN


Extending Video Online
Broadband screen as incremental programming window / ad sales outlet / promo vehicle (e.g. video aggregators, hyperdistribution)
Creating New Online Experiences
Design of differentiated content environments, enabling individuals to organically incorporate MTVN brands into personal online experiences
(e.g. personal web pages, video email, desktop apps, etc.)
Brings 2D to a 3D platform
Platform Stickiness drives Content Depth
Selling Shovels vs. Mining Gold (?)
Expansion of consumer value exchange (MTVN = creator/owner)
Redefined of consumer value exchange
Mass market
Highly personalizable
One to Many
Many to Many
Leverages existing technology
Requires extensive innovation
Relatively passive experience
Active experience: tools, utilities, etc.
Dependent on license fees and/or display advertising
Calls for new business models

Tactic 1: intelligently leverage bb screen as incremental programming window / ad sales outlet

Tactic 2: use video (our current core competency) to establish online beachhead – and once we've planted a flag we can use those video p'ships as a foundation to build new content experiences

Tactic 3: launch new partnerships around singular goal of new experience creation

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New Content Experiences | How?

- **Development of paradigm-shifting online experiences will require MTVN to embrace a philosophy of "smart experimentation"**
  - Internal:
    - Build staff
    - Create forums for idea generation (simple brainstorm sessions, digital labs, etc.)
    - Support creation of inexpensive test or "pilot" content
      - Secure small development budget to fund beta products
      - Leverage lower-profile partnerships as public labs for new experiences
    - Research infrastructure must support some consumer testing
  - External:
    - Simple outsourcing: find inexpensive, one-off development partners (e.g. offer out select "seed content items" around which new experiences may be built)
      - Individuals
      - Smaller online production companies
    - Wholesale:
      - Seek out compelling white-label offerings to which our brands may apply or may appeal to our audiences
      - Purchase exclusivity

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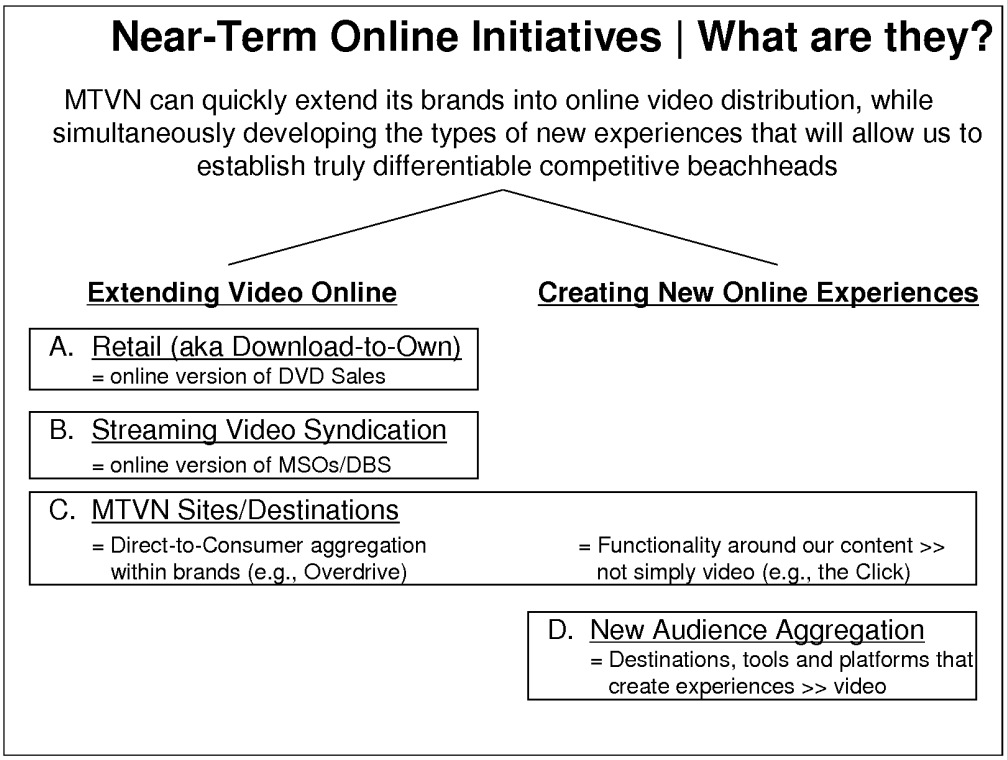
Near-Term Online Initiatives | What are they?
MTVN can quickly extend its brands into online video distribution, while simultaneously developing the types of new experiences that will allow us to establish truly differentiable competitive beachheads
Extending Video Online
Creating New Online Experiences
A. Retail (aka Download-to-Own)
= online version of DVD Sales
B. Streaming Video Syndication
= online version of MSOs/DBS
C. MTVN Sites/Destinations
= Direct-to-Consumer aggregation within brands (e.g., Overdrive)
= Functionality around our content >> not simply video (e.g., the Click)
D. New Audience Aggregation
= Destinations, tools and platforms that create experiences >> video

Tactic 1: intelligently leverage bb screen as incremental programming window / ad sales outlet

Tactic 2: use video (our current core competency) to establish online beachhead – and once we've planted a flag we can use those video p'ships as a foundation to build new content experiences

Tactic 3: launch new partnerships around singular goal of new experience creation

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Download-to-Own | Overview

Platform: **Horizontal aggregators** of retail video content.

Key Players: iTunes, Amazon, AOL Video Marketplace, BitTorrent, Netflix, etc.

Consumer Experience: **Consumers purchase** episodic content and control post-purchase video experience (portability, fast-forward, etc.)

Economics:

- Fees
  - Consumer: Pays per-title fee (e.g., $1.99 per title)
  - Distributor: Retains 30% of retail price
  - Content Owner: Retains 70% of retail price
- Advertising
  - Within content: Generally N/A
  - Within aggregator site – Currently none, but as aggregators begin selling inventory, MTVN must define parameters and models:
    - *Network Level* (non-genre/channel based): Aggregator may only sell ROS, non-targeted (can't target kids, comedy users) and non-competitive ads
    - *Genre Level:* Unclear. MTVN concern if Aggregator selling promotion within categories we own (kids, music, teens, etc.)
    - *Channel/Show Level*: All inventory should be MTVN's to sell
    - *Search Results*: Combination of concerns from Network and Genre

Metrics of Success: Size of marketplace - i.e., amount and quality of supply (titles) and demand (purchasers)

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Streaming Video Syndication| Overview

Platform:
- Horizontal distributors of streaming video content
- May aggregate content on owned/operated video marketplaces OR for syndication to 3rd party websites

Key Players:
- Aggregated Video Marketplaces: YouTube, Revver, Project Venice (and most DTO sites are also aggregating ad-supported streaming video such as AOL Video Marketplace, GUBA, BitTorrent)
- Aggregation Syndicators: Brightcove, Google Hyperdistribution

Consumer Experience: **Consumers watch ad-supported** content, typically short-form clips

Rights: Streaming content only (no download)
- Portability = embed feature that allow users to replay streaming content on 3rd party site
- Fast-forward capability differs site-to-site

Economics:
- Fees: free to consumer
- Advertising
  - Within Content:
    - Inventory Types: Big players averse to pre-roll
    - Who Sells: Aggregators have sales force but generally willing to allow MTVN to sell
  - Within Aggregator Site – Similar to DTO Video Marketplaces [Network, Genre, Channel/Show, Search]

Metrics of Success: Size of marketplace—i.e., amount and quality of supply (titles) and demand (views)

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MTVN Sites | Overview

Platform:
- **Fully-branded** proprietary online environments, supporting video and other editorial content

Key Players:
- Traditional .com: Schedules, non-video entertainment, news, commerce, etc.
- Hybrid channels:
  - Compilation of primarily short-form content from current and library franchises, events, etc
  - Users may build personalized playlists

Consumer Experience:
- Consumers watch ad-supported content solely from brand in question
- Most prominent online programming is closely tied to on-air schedule and brand promotional priorities

Rights: Watch streaming content, no download or fast-forward capability

Economics:
- Advertising Inventory Types: banners, :15 pre-roll

Metrics of Success: unique visitors, pageviews

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New Online Experiences| Overview

Platform:

Key Players:

Consumer Experience:

Rights:

Economics:
- Fees
- Advertising

Metrics of Success:

TBD

The playing field is wide open…

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Online Distribution | Key Objectives

1. **Create Game Changers**
2. Be a **First Mover**
3. Build a **Portfolio to capture traffic**
4. **Maximize Benefits** to MTVN Stakeholders
5. **Execute, Measure, Learn, Optimize**

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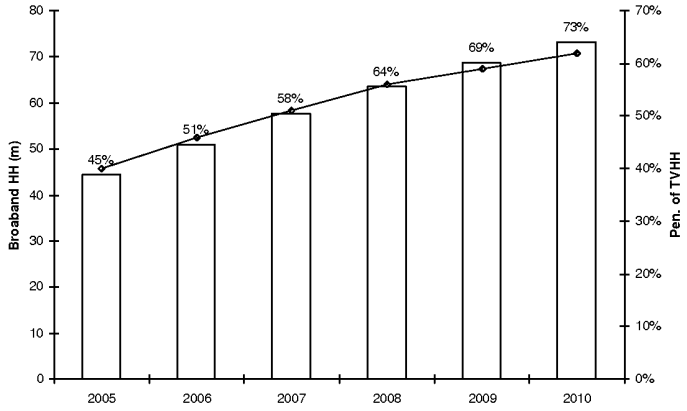
VIA00316632

First Mover | Video Online

- Broadband penetration has passed the tipping point, exceeding 50% of TVHH
- Consequently, the advanced media functionalities enabled by a broadband pipe are now technically available to the majority of US media consumers



Source: Kagan

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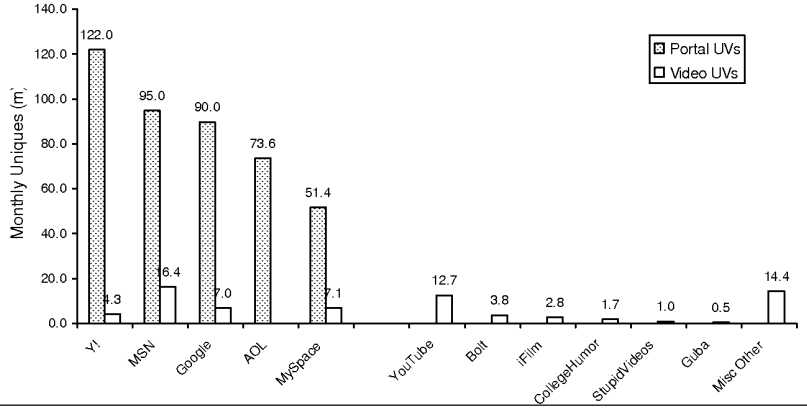
First Mover | Video Online

- Demand for online multimedia has increased with the jump in broadband penetration
- Online music and video distribution has exploded
- A variety of new and existing Internet players are attempting to aggregate and direct consumer demand for online content – particularly in the video space
  - All major portals have launched video-centric offerings, to which they will seek to drive major traffic – which represents an opportunity to establish early anchor tenancy and preferred terms
  - Media corporations all offering broadband access to varying combinations of repurposed and made-for content
  - Over 225 video aggregation sites launched to date



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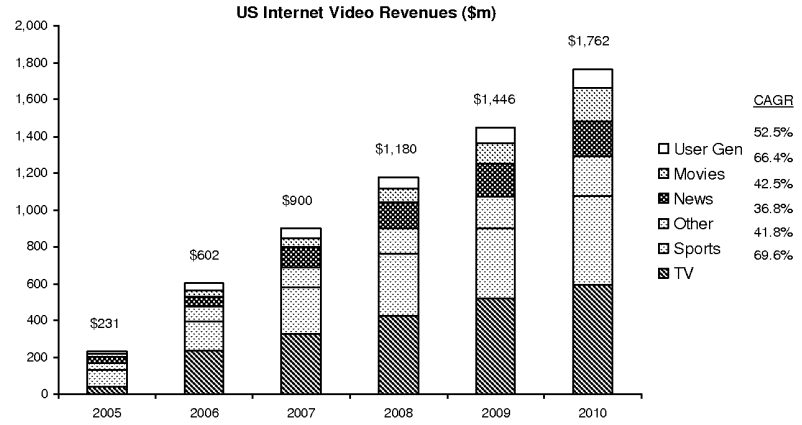
First Mover | Video Online

- **MTVN should distribute online video to as many outlets as possible, leveraging the instant credibility MTVN brands provide to video outlets to capture sizable first mover advantages and a disproportionate share of exploding online ad revenue growth:**
  - Define favorable economics (industry-wide) and set the content economy in favor of content providers
  - Secure best terms for MTVN (MFNs, promotion, placement)
  - Set content parameters in order to minimize risk to existing revenue streams
  - Drive traffic and monetizable eyeballs
  - Potentially secure equity stakes in fledgling players
  - Ride growth trajectory of new marketplaces—secure prominent placement on all but free-ride the "winners"



Source: IDC

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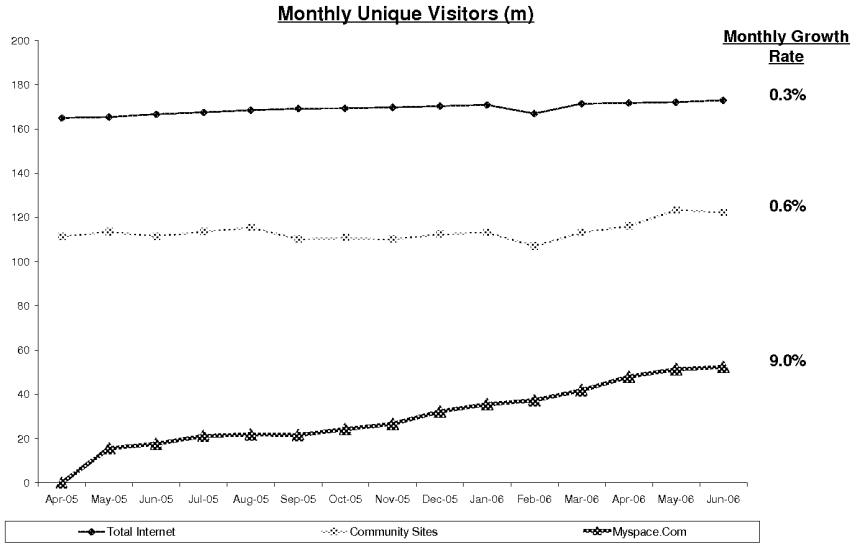
First Mover | New Online Experiences

- MySpace serves as an example of an online experience that, when launched, offered users an new, unique, and easy way to interact with one another
- Due to their early establishment of leadership in a new space, their growth in viewership has outpaced that in general community usage by more than 10x



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Online Initiatives | Key Objectives

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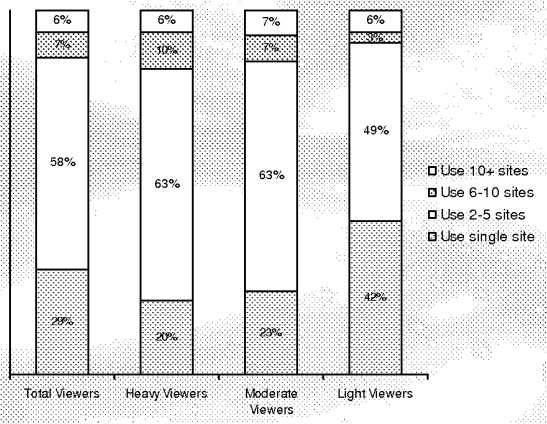
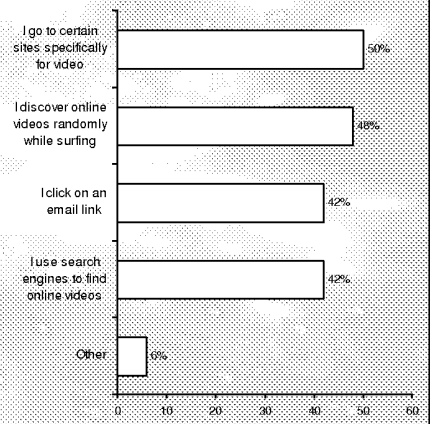
Build a Portfolio | Video Online

Most online video viewers access content from multiple sources –
so securing broad distribution across a variety of sites is important

Number of sites used to view online videos



Means of discovering online video



Source: OPA

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Build a Portfolio | Video Online

Taking a portfolio-driven "distribute to all" approach to online video will:

- Maximize reach and mindshare
- Expand consumer choice, empowering viewers to choose online video distributor with packaging, features and tools that most appeal to them
- Minimize risk that we won't pick "the winner" from 225 video aggregators on web today – by partnering with all we secure partnership with whomever emerges as leader
- Exploit different strengths from different syndicators, e.g.:
  - Google - huge affiliate network
  - Brightcove - Powerful and flexible technology
  - Embedded Players - the whims of the masses
- Disempower competitive points of aggregation (iTunes, YouTube)

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Build a Portfolio | New Content Experiences

Launch dozens of niche experiences (and aggregate)

To do – not sure what you're picturing

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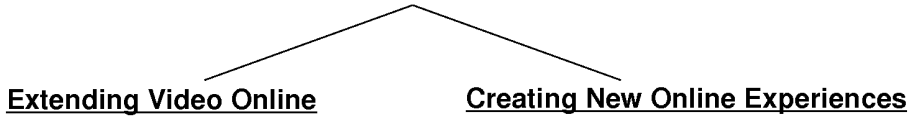
VIA00316640

Build the Portfolio | What are they?

In extending online video, MTVN should leverage the power of its brands and content to secure maximum deal terms. On parallel path, it should build and acquire nascent vehicles for owning audiences and experiences online.



To do – not sure what you're picturing

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Online Initiatives | Key Objectives

1. **Create Game Changers**
2. Be a **First Mover**
3. Build a **Portfolio to capture traffic**
4. **Maximize Benefits** to MTVN Stakeholders
5. **Execute, Measure, Learn, Optimize**

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MTVN Stakeholder Implications
Download-to-Own

	Risk to Existing Business	Rationales & Implications
Ad Sales	**LOW**	• Paid content model and content selection process moderates risk of linear cannibalization • No advertising in purchased content • No apparent erosion in ratings
Brands	**LOW**	• Can develop content distribution strategy and select programming appropriate for DTO format • Develop unique integration with top DTO marketplaces
Linear Distributors	**MODERATE**	• Paid content model maintains integrity of license fees and moderates linear cannibalization risk • No distribution to TV screen • Even so, distribution of any current programming to non-TV outlets does incrementally erode need for full-service cable subscription

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MTVN Stakeholder Implications
Streaming Video Syndication

	Risk to Existing Business	Rationales & Implications
Ad Sales	**MODERATE**	• MTVN can control / dynamically serve inventory can be controlled, but CPMs will likely degrade on aggregated video marketplaces over time • Need to develop monetizable online distribution relationships; can leverage streaming partnerships to test models and formats
Brands	**MODERATE**	• Content loses some uniqueness in an increasingly "commodity" marketplace • Need to develop content distribution strategy appropriate for broad-flung ubiquity • Develop unique integration with top partners
Linear Distributors	**MODERATE to HIGH**	• Ad-supported (vs. DTO) content on aggregators sites undermines existing license fee relationships — acutely if content is long-form and fresh (not archive)

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MTVN Stakeholder Implications
MTVN Sites

	Risk to Existing Business	Rationales & Implications
Ad Sales	**NONE**	• MTVN ad sales fully owns online inventory on our proprietary sites • No erosion in ratings since site launches
Brands	**NONE**	• Proprietary sites serve as full-controlled brand extensions – they are brand-building tools
Linear Distributors	**LOW**	• Sites are programmed to complement (instead of cannibalize) linear networks • Sites are heavily cross-promoted with on-air, driving operator priorities / bundled sales • No apparent erosion in ratings since site launches

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MTVN Stakeholder Implications
New Content Experiences

	Risk to Existing Business	Rationales & Implications
Ad Sales	**LOW**	• MTVN would develop branded experiences that create new inventory and do not cannibalize existing outlets
Brands	**LOW**	• Opportunity to create new dimensions of consumer relationships • Establish true stickiness, not simple loyalty
Linear Distributors	**???**	• Depends on type of experience – Any online experience that could effectively serve as a "cable bypass" is a significant perceived threat – Tools and apps that leverage online / broadband platform and enforce need for speed might actually enhance operator value propositions

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VIA00316646

Online Initiatives | Key Objectives

1. **Create Game Changers**
2. Be a **First Mover**
3. Build a **Portfolio to capture traffic**
4. **Maximize Benefits** to MTVN Stakeholders
5. **Execute, Measure, Learn, Optimize**

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Online Initiatives | Core Strategic Issues

Extending Video Online

Creating New Online Experiences

To do – not sure what you're picturing

For Our Sites:

BOTH ISSUES: Content Distro on our Sites + What is Experience Pipeline

For Distro—Traffic Generation

For New Experiences—"What do we want to be when we grow up?" Own demos? Own categories?

Intersection of Content, Community and Software

What is process? Product Dev

How do we innovate experiences? Skunkworks projects, VC asset contributions,

FOR ALL FOUR—HOW DO BUSINESS UNITS WORK TOGETHER (PROCESS FLOWS, ETC.)

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Online Initiatives | Deal Approach

- **Identify most desirable partnerships** based on:
  - ROI
  - Traffic potential
  - Potential for innovation (in terms of applications, ad formats, business models, etc.)
- Craft **high-level, replicable deal template** that incorporates digital distribution, ad sales, brand and product development POVs
  - Terms will by definition shift based on the type of partnership under consideration (e.g. simple video distribution to aggregators vs. widget-building vs. joint development of consumer experiences) – but we can begin setting some definitions to minimum / standard parameters:
    - Standard financial terms (e.g. rev share on retail models, ad sales share on free models, license fees, marketing commitments, etc.)
    - Optimal content strategies/packaging; consider where economics may have to flex to accommodate relationships of differing content depth
    - Critical strategic terms (e.g. promotion, preferred placement, content control)
- Proactively begin creative development around entirely new content experiences
- Quickly **execute relationships, deploy and test results**

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Online Initiatives | Requirements

Buy-in on economics and content models	• Internal agreement on "standard" terms and content "starter pack" to enable quick saturation of syndication outlets and lock-in of first mover benefits
Content Investment	• MTVN must lead the market in online creative, justifying our license fees and premium CPMs • Expand creative resources (internal and external) to accommodate development of online "pilots" and experiences • Invest in robust rights & clearances that enable open distribution across screens

Process Definitions	• Deal execution: single point of contact managing external negotiations and internal reviews
	• Launch and ongoing operations:
	  • Video syndication deals should be "switch-flippers" – as simple as lighting up a satellite signal to a new TV affiliate
	  • Operational infrastructure must accommodate on-the-fly changes
	• Product development: need to create a more formalized arena in which new formats and content experiences are developed

Research	• Field primary studies to quantifiably assess consumer demand (and more accurately build content packages) • Leverage consumer opinion as central input to product development
Traffic generation and optimization	• Traffic generation process must be built and refined (identify quantifiable goals and available tools) • Maximize revenues by actively managing content flows and experiences – will require headcount

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Online Initiatives | Economic Constructs

We must define how best to value our content online – such that online valuations are roughly consistent with linear valuations

- License fee / title
  - network's average linear license fee / # of unique episodes on that network = avg. fee / title
  - Aggregate monthly license fees to online distributors by simply multiplying avg fee / title by number of titles offered each month
  - Assumes linear license fee is an accurate starting price (many think our nets are underpriced relative to their viewership)
  - Assumes that linear license fees (based on households) should translate to online (where viewership is individual) – might imply a discount (i.e. $1 on linear gets you 4 viewers – so correspondent online fee should be $0.25?)
  - Does not account for quality of titles – i.e. a more current or more "evergreen" title would command a higher fee
  - Does not create a good means of valuing short-form content
- Ad sales multiple
  - Concept: bump in CPM you see for online vs. TV eyeball = multiple to linear license fee (don't know if this is actually measurable on a reliable/ consistent basis…)
  - Money spent on linear ads does not generate:
    - Confirmation that ad was seen when run (ff or people leaving room)
    - Quantifiable ROI
    - Targeted messaging – the smallest niche you can hit is the audience you THINK is watching a certain show
    - Potential for impulse activity – user cannot "click" on the spot

made all this up – what do you think?

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Online Initiatives | General Deal Terms & C

particulars of each deal will vary, the general terms we pursue consistent across all

	Must-have	
	• No portability on free content • For use only on partner-hosted platforms and solely as distributed on a TCP/IP technical platform • No right to sublicense, re-distribute, syndicate, transfer or otherwise use the Licensed Property • Universally-associated DRM	
	• <2 years	
	• MTVN shall have the sole right to sell all advertising inventory in, around or otherwise associated with the Licensed Content • Partner shall provide all backend reporting, targeting and serving technology • End-users shall not have the ability to skip advertising • MTVN can serve any ad format it chooses (e.g., pre-roll)	
	• Dedicated placement in any storefronts / unique areas • MTVN controls branded areas and UIs • Right to link back to MTVN-owned websites • Participation in any e-commerce revenues	•
	• MTVN may access customer information/ search queries associated with our content • Any data necessary to target advertising & user communications	
	• All search results shall be based on metadata • “Preferred placements" be separate and so-identified • Top placement with respect to certain proprietary search terms	•

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Distribution Tactics I Download to Own

Economics and content models

- Continue executing "off-the-shelf" deals with all digital retailers – established standard terms (those closed with iTunes, AOL, Amazon) include:
  - 70/30 retail revenue split
  - Branded MTVN sales areas
  - Advertising parameters

I know there are more terms to include here…add away

Content Investment

- Grow catalogue / acquire rights based on a clear content strategy that promotes programming most suited to DTO format
  - Selectively offer full seasons / promotional episodes of current, on-air shows (based on channel promotional priorities)
  - Use DTO as a means of re-packaging / re-monetizing "vintage" library content that has already run its course (e.g. box sets)
  - Develop made-for-download products that demonstrate benefits of owning digital content (e.g. customizable MTVN "lockers" where users can easily store faves, manage playlists, chat with other MTVN enthusiasts, access recommended new buys, etc.)

Process Definitions

- **HOW BEST TO COUCH THE "WHO DOES WHAT" QUESTIONS?**
- Transactional: Online distribution team identifies, executes, and launches DTO p'ships
- Programming & placement: brand teams own creative placement
- Operational: programming teams / NOC must automate transmission of DTO files (digitization, metadata, transport)

Research

- Study consumption patterns surrounding downloaded video content

Optimize

- Add content based on research results and MTVN product performance

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Distribution Tactics I Streaming Syndication

- Content Model Goals—will vary by Brand and Franchise:
  - Formalize a flexible content distribution strategy that maximizes traffic and revenue back to MTVN without jeopardizing (a) current affiliate and ad sales businesses (b) brand equity
  - Set contractual precedents for favorable economic exchange & MTVN value generation

	Short-Form Archive	Short-Form Current	Long-Form Archive	Long-Form Current
Amount	Unlimited	Broad	Selective	Selective / promotional
Kind/Shows	• No restrictions	• What gets "scattered to the winds"? • What stays on our sites? • Do we have relationships	• Restricted to address other contract provisions (e.g. streaming caps)	• Restricted to address other contract provisions (e.g. streaming caps) AND to mitigate linear cannibalization
Rationale & Risks	• No cannibalization of linear programming • Monetizes otherwise "expired" content • Promotion to DVD sales	• Additional outlets/eyeballs for Overdrive-type content • Promotion to linear channel	• Minimal cannibalization of linear programming • Monetizes potentially "expired" content • May pose risk to DVD	• Serve brand marketing and windowing goals
License fee	None	Yes, using wireless model as comp – license monthly packages of content	Yes • "Per-rerun" price • DVD comp	Yes • "Per-ep" price • Ad sales multiple
Ad Share	• 70/30	• 70/30 but possibly less if big promo value	• 70/30	• 70/30 but possibly less if big promo value
Ad Formats [e.g. pre-roll, etc.]	• Pre-roll • Billboard • Commerce link (e.g. on product placement, DVD, CD sale) • Telescope to additional ad or entertainment content	• Pre-roll • Billboard • Commerce • Telescope	• Pre-roll • Interstitial • Commerce • Telescope	• Pre-roll • Interstitial • Commerce • Telescope

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Distribution Tactics I Streaming Syndication

Content Investment

- Counterprogram / differentiate content vs. existing linear
  - Exploit brand programming expertise to make internet screen a complement to (rather than a substitute for) the linear experience
  - Combine long- and short-form programming to build new "lean-back" viewing experiences
- Invest in broad online clearances
- Establish new and additive ad inventory
  - Linear advertising should continue to serve advertisers as mass creation of awareness
  - Online advertising and its associated functionalities enable much tighter targeting and calls to action
- Create content experiences that tie into linear experience (e.g. develop deployable, consumer-appealing ways of integrating online and set-top experiences)

Process Definitions

- **HOW BEST TO COUCH THE "WHO DOES WHAT" QUESTIONS?**
- Transactional: Online distribution team identifies, executes, and launches streaming syndication p'ships
- Programming & placement: brand teams own creative scheduling and content offering
- Operational: programming teams / NOC must automate transmission (digitization, metadata, transport)

Research

- Study consumption patterns and best-performing outlets

Optimize

- Add content based on research results and MTVN product performance

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Distribution Tactics I MTVN Sites & Destinations

Economics and content models	• Primarily short-form content (Mix of current and archive) • CPM-based ad sales: pre-roll video presented to viewer every several clips
Content Investment	• Implement more robust search tools • Create opportunities for personalization • Made-for content • Integration of site experiences to other screens (e.g. STB, mobile **There must be a strategy doc for these sites somewhere – can we steal it?**
Process Definitions	• Brands own programming strategies and integration with other platforms • Digital distribution team works takes on traffic generation
Research	• Execute multi-platform research: better understand relationship between / usage patterns of sites, linear nets, etc.
Optimize	• Track user flows & demos to drive more effective ad targeting • Study in-site user clusters to more effectively program high-traffic areas

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Distribution Tactics

New Audience Aggregation / New Content Experiences

Economics and content models	• VARIOUS
Content Investment	• Initial investment must focus on creating an environment that supports innovation – Pool of "experimental" funds – Prototyping
Process Definitions	• Digital distribution team works with existing and potential partners to identify viable opportunities to build out new experiences
Research	
Optimize	

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Schapiro Exhibit 168

Subject: First draft update
From: "Cahan, Adam" <EX:/O=VIACOM/OU=MTVUSA/CN=RECIPIENTS/CN=CAHANA>
To: Schwartz, Stefanie; Blair Harrison; Epstein, Josh; Bakish, Robert; Harrison, Blair - iFilm; Lehman, Nicholas; Patel, Kruti ; West, Denmark; nadastir@yahoo.com
Cc: Date: Sat, 08 Jul 2006 21:02:05 +0000

per stef suggestion - added a MTVN/Viacom upside section.

List of attachments:
YouTube v2.doc

MTV NETWORKS and VIACOM

YOUTUBE ACQUISTION RATIONALE

July 7, 2006

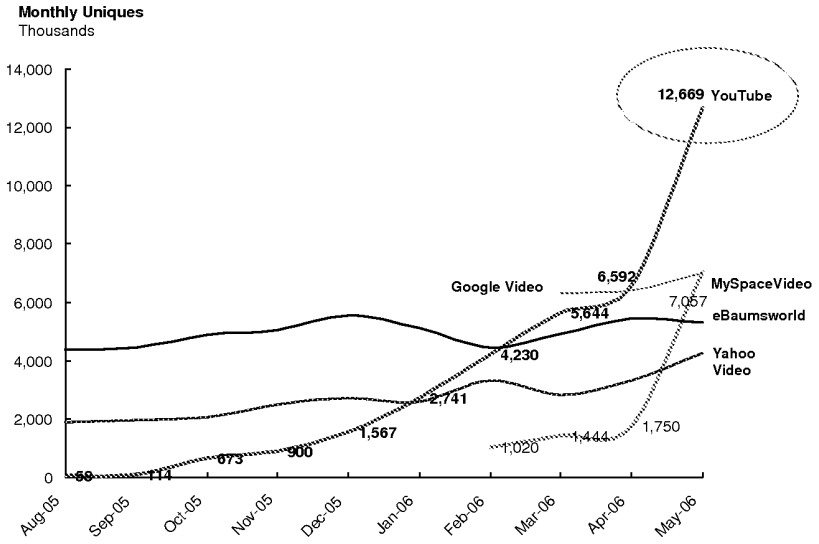
- **KEY TAKEAWAYS**:
  - We believe YouTube would make a **transformative acquisition** for MTV Networks/Viacom (price pending) that would enable our company to tap the leader in viral video audience experiencing explosive growth. With the scale of our video library (MTVN and Paramount/DreamWorks), the depth of our consumer and advertiser relationships, the targeted promotion of our networks, and the direct relevance of our brands we can help **YouTube become the category-killer for online video search, sharing and community**.
  - Our **valuation** based on x,y,z, suggests that YouTube value up to **$yM on base case** with topline $z, and margin of Y. Upside case…
  - In the video category YouTube is a clear leader with **12.7M uniques** (MMX) (20M according to NetRatings) growing 100% month-on-month. In addition relative to the competition it is experiencing **3-5X time spent** with an average of 36 minutes per unique per month (MMX). By NetRatings it has reach #20 online.
  - With the nature of many-to-many video sharing, YouTube is tapping a **network effect** that will be challenging to displace – users continue to upload ~60K videos per day (*per YouTube*) and invest in tagging, cataloging and sharing their videos. As more users upload and provide editorial relevance, the site is expanding the breadth and depth of the content offering – with greater audience, the value of "broadcasting yourself" increases.

    "YouTube is currently serving 70 million videos per day to six million unique users daily, up from 3 million in December, with more than 60,000 videos being uploaded per day. YouTube is serving more than 200 million page views a day and is ranked the 18th most trafficked site on the Internet, according to Alexa." –YouTube Site
  - From a strategic perspective, we remain concerned that a **combination Fox owned MySpace/YouTube** would represent a consolidated content/distribution model targeting our core demographic's consumption patterns (***what percentage of time spent online would the combined site have***)
  - From an **advertiser** perspective, **film/studio** based advertising is the #1 advertising category across MTVN representing $517M and 17% of total dollars spent (Film $403M, HV $114M). As demonstrated by recent deals (Disney, NBC, Weinstein), this community is particularly prone to migrate dollars quickly where the target audience aggregates. A 10% shift of these dollars online could represent $50M+ shift for MTVN based on 2005.
  - **Monetization** will likely need to remain scaled back in the near-term as YouTube grows and maintains traffic, over time YouTube will be a platform for promotion with premium branded reach display advertising (homepage), targeted advertising (search related), and premium promotion (ie. Sponsored entertainment videos, professional content channels). In addition, we believe with scale, that YouTube will

need to develop and innovate new forms of ROI/ Relevant video advertising – i.e. DR video, bid for placement (homepage trailers based on clickthrough and $$). For MTVN it represents a potential promotional vehicle back to television, and an inexpensive source/ filter for User Generated Content and talent sourcing for our networks (i.e., the ultimate payoff of getting yourself on TV). In addition, there is an opportunity over time for ad supported (chaptered, clip based) premium content from both our studio and other content providers – i.e. clip/chaptered Movie of The Week.

- Going forward, YouTube has the potential to transform from an entertainment site/destination to a **video search utility**, harnessing the audience to help it define video relevance –i.e. people are now "youtubing" a video they are looking for.

MEDIA METRIX MONTHLY UNIQUES



Source: Media Metrix 1

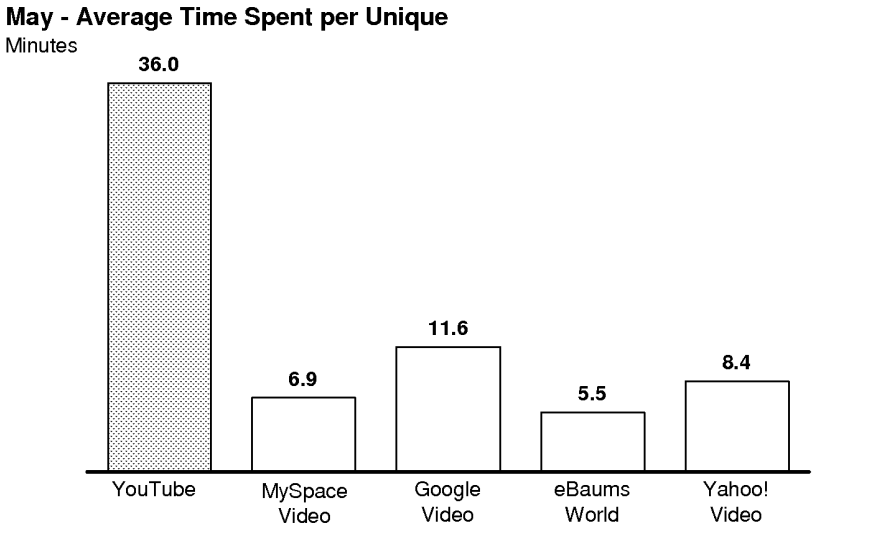
Josh/Stef- would like to look at netratings as well – concerned over myspacevideo plus netratings has them at 20M.

➢ STRATEGIC FIT

- As one of the largest owners and producers of **video** in the world, video is a core competence of MTVN/ Viacom and a category online where we believe the multi-platform nature of our advertising will first be established.
- Core **demographic** appeal (***any proof)***
- **Scale** in online reach and video consumption where we require additional exposure as a company
- **Content** source and filter for UGC to television – YouTube on MTVN best of weekly where users can become famous.
- **Talent** source for potential trend-spotting and new talent acquisition
- **Promotional** source for television programming

- **UPSIDE FROM MTVN/VIACOM**
  - Audience on TV – MTVN provides an outlet for fame. Ie. Best of appears weekly on relevant MTVN property – Comedy Central/MTV. Reinforces the user participation and why they want to upload their content first at YouTube
  - Brands – editorial fit enables us to both source talent and make users famous. The crowd decides, we put it on air – people will push to promote themselves (make me famous) and draw in additional users and content reinforcing the model
  - Advertiser relations/ salesforce: leveraging our relationships with film studios and demographically targeted advertising – we can significantly enhance CPM based on multiplatform sales approach.
  - Video content – breadth and depth can power YouTube to the next level of relevance
  - Promotion – fit with our target audience and demo. We can reinforce and drive traffic/ promotion to YouTube

- **AUDIENCE**
  - Key trends: Time Spent



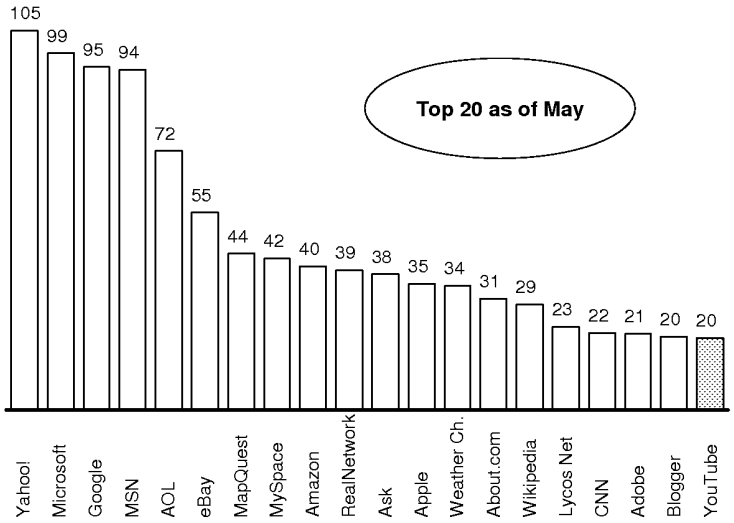
Source: Media Metrix May

3

  - Reach

NetRatings Monthly Unique Visitors

Millions



Source: Net Ratings May

4

- **ADVERTISERS/ PROMOTIONAL PARTNERS**
  - Recent activity includes strategic partnership with NBC for content and promotion, Weinstein launch for Lucky Slevin and Entertainment advertisers including Disney (Pirates of the Carribean)

Advertising example – Pirates Of Caribbean

2

- The film-based entertainment category is a "first-mover" and we have exposure across MTVN at $517M, 17%

- **COMPETITION**
  - MySpace
    - A consolidation of YouTube and MySpace would be a significant threat and competitor to MTVN core demographis. The combination would consolidate the value chain from video creation through distribution and enable Fox to become a "must have buy" for our core demographics and users.
    - ~15% of YouTube traffic comes from embedded players according to management. According to Fox, MySpace represents ~70% of that number
    - While MySpace has attempted to shut-down YouTube on 2 occasions they have been unsuccessful to date – with audience revolt.
    - MySpace has also launched myspace video which has shown significant traffic growth but has not seen time spent as YouTube has.
  - Other: Google Video, Yahoo Video, Grouper, Revver
    - See risk below
- **POTENTIAL OPPORTUNITY/BUSINESS MODEL**
  - Two paths of monetization – utility (ie, video search), and entertainment – dependent upon the traction YouTube gains in broader video search (beyond user generated)
    - Display/ reach based advertising: Homepage inventory and display advertising
    - Paid placement – home page auction based sponsored video (i.e. one block where film studios bid for placement of their trailers)
    - Targeted advertising: search based advertising as users seek to find video
  - Premium content – over time the use of ad supported premium clips/content in a separate section (i.e., Movie of the week, first looks, releases, film trailers, etc). Lighter embedded video ads (not-preroll)
  - Embedded players – identifying a utility based advertising model – ie. Text links, click through promotion, other
  - Innovation for targeted advertising – DR video, can we identify a way to discern intent in the video and highlight relevant ads

- **POTENTIAL RISKS**
  - MySpace
    - potentially shit-down or limit access to embedded YouTube players
    - Further accelerate MySpace video
  - Google
    - Recently moved to "immediate upload" similar to YouTube. May seek to go after differentiated content by digitizing libraries of content owners
  - Yahoo!
    - Recently launched Y! video with upload features, leveraging social search technology and approach from Flick'r
  - Startups

- Any aggressive monetization or significant change in overall approach (i.e., corporatization) may result in audience loss
- Fad-driven nature of content
  - Is this simply "America's Funniest HomeVideos"

➢ **COMPANY BACKGROUND:**
- Founded February 2005
- Site motto: "Broadcast yourself"
- Features and usage
  - Users can instantly upload, watch, tag and share videos.
  - Getting to comprehensive - search millions of videos uploaded by community members
  - Personalize the experience by subscribing to member videos, saving favorites, and creating playlists. Developing a persona on YouTube
  - Embed YouTube videos on websites using video implants or APIs
  - Users can make their posted videos public or private
  - Ability to watch and share videos from mobile phones or PDAs
- Management:
  - Chad Hurley – CEO & co-founder – prior Paypal
  - Steve Chen – CTO & co-founder – Prior Paypal
  - Sales and bus dev. mostly x-Yahoo! (Chris Maxcy)
- Investors:
  - YouTube announced its first round of funding in November 2005 for $3.5 million from venture-capital firm Sequoia Capital. In April 2006, YouTube received an additional $8 million in a second round of funding from Sequoia – investment led by Roelof Botha, former CFO of PayPal

Schapiro Exhibit 169

UNITED STATES DISTRICT COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

VIACOM INTERNATIONAL INC., COMEDY PARTNERS, COUNTRY MUSIC TELEVISION, INC., PARAMOUNT PICTURES CORPORATION, and BLACK ENTERTAINMENT TELEVISION LLC,	)	
Plaintiffs,	)	
vs.	)	Case No. 1:07CV02103
YOUTUBE, INC., YOUTUBE, LLC, and GOOGLE, INC.,	)	
Defendants.	)	
THE FOOTBALL ASSOCIATION PREMIER LEAGUE LIMITED, BOURNE CO., et al., on behalf of themselves and all others similarly situated,	)	
Plaintiffs,	)	
vs.	)	Case No. 07CV3582
YOUTUBE, INC., YOUTUBE, LLC, and GOOGLE, INC.,	)	
Defendants.	)	

VIDEOTAPED DEPOSITION OF ALAN E. BELL
New York, New York
Tuesday, August 5th, 2009

REPORTED BY:
ERICA RUGGIERI, CSR, RPR
JOB NO: 17408

August 5th, 2009

9:35 a.m.

VIDEOTAPED DEPOSITION OF ALAN E. BELL, held at the offices of Mayer Brown, 1675 Broadway, New York, New York, pursuant to notice, before before Erica L. Ruggieri, Registered Professional Reporter and Notary Public of the State of New York.

A P P E A R A N C E S

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BY: BRIAN WILLEN, ESQ.

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(212) 506-2146

Bwillen@mayerbrown.com

ALSO PRESENT:

CARLOS KING, Videographer

Q. Mark Monitor?

A. That one I'm not familiar with.

Q. Advestigo?

04:20:37 A. That one, I actually was reminded of it, because it appeared in one of these documents. But to my recollection, that test never occurred. Somehow the meeting didn't -- I believe it

04:20:54 was on the, in the same time period as BayTSP was testing in conjunction with us. And for whatever reason, that meeting didn't occur, the test didn't occur, as I recall it.

04:21:10 Q. Verrance?

A. Verrance is a watermarking company.

Q. They don't offer a fingerprinting tool?

04:21:17 A. As far as I know, they don't.

Q. Guba?

A. Who.

Q. G-U-B-A, Guba?

A. No, I don't know that.

04:21:23 Q. So in the time you were CTO of

Paramount, January '07 to, I think you said January of '09?

A. Well, December, end of December.

04:21:38 Q. December of '09. Can you tell me all of the fingerprinting tools that Paramount actually used to search the Internet, looking for appearance of Paramount content?

04:22:02 A. To my knowledge, and defining the usage to be at the level of actual application, as opposed to simulation and test level, to my knowledge, I think it was based on fingerprints we developed in

04:22:27 Paramount. The YouTube was the only one that came close to that.

Q. Are you able to say anything about other Viacom entities and what, if any, fingerprinting tools you are aware

04:22:48 that any Viacom entity used to search for its content on the Internet in that same period?

A. I know that Viacom was in possession of some of our content DVD.

04:23:04 Q. Our, Paramount?

A. Paramount's content. I know that they were fingerprinting for more than one vendor.

04:23:17 I don't know the degree to which the usage was at the focused level that you described in each separate case, in each vendor.

Q. So you said that Viacom was in

04:23:40 possession of certain Paramount content?

A. Yes.

Q. Can you say more about that?

A. As I recall, we -- I cannot recall for which particular fingerprint

04:24:03 vendor, but it was a matter of their technical capability was, I'd say, more advanced than ours to handle the amount of content we had on the DVDs, you know, the DVD titles I told you about.

04:24:29 Q. Their technical capability being Viacom's technical capability?

A. Yes, yeah.

Q. So just so I understand, so there was certain Paramount content that

04:24:40 Viacom may have been creating fingerprints

know what relationship was formed between Viacom and Audible Magic?

A. No.

04:28:50 Q. And how about Auditude, do you know when Viacom and Auditude developed a relationship?

A. Sometime during 2007.

MR. WILLEN: Let's take a quick

04:29:09 break, if we could.

THE WITNESS: Okay.

THE VIDEOGRAPHER: The time is 4:29 p.m., and we are off the record.

(Whereupon, there is a recess in

04:39:54 the proceedings.)

THE VIDEOGRAPHER: The time is 4:40 p.m., and we are back on the record.

Q. Okay. Mr. -- Dr. Bell, I just

04:40:06 wanted to clarify one thing.

I think that you testified that during the time that you were the CTO of Paramount, that the only fingerprinting system to which Paramount submitted

04:40:21 fingerprints for actual use in the world

was YouTube?

A. The only system I oversaw being developed within the lot of Paramount was the one I have talked about, which was set up in order to begin supplying to YouTube our fingerprints.

Q. Right. But it was possible that Viacom was submitting Paramount fingerprints to some other -- vendors?

A. It's possible, it's possible.

Q. You just don't have any knowledge about that?

A. I didn't track that in any detail.

Q. Why was it that the only fingerprinting system to which Paramount was submitting fingerprints directly was YouTube?

MR. PLATZER: Objection, calls for speculation.

Q. If you know.

A. My own view of that was simply, even though we were evaluating many, that was really the first one that had a

significant deployment, even though it happened to be one website. It was a large website.

04:41:38 Q. So are you familiar with the kinds of tools or technologies that other UGC websites have used, in order to detect copyrighted material that may be posted to their services?

04:41:55 A. No, not in particular, no.

Q. Are you aware of any other UGC website that has developed its own fingerprinting solution --

A. No.

04:42:12 Q. -- other than YouTube?

A. Yeah, that's right. I mean I'm not aware of it. That doesn't mean to say it may not -- may have happened.

Q. Do you have a view about whether

04:42:27 there are any particular user-generated content websites in the world that do a particularly effective job at allowing copyright owners to identify content that may have been posted to those sites?

04:42:45 A. I don't have a view on that.

Q. Okay. Are you aware of a service called Soapbox?

A. First time I have heard of it.

04:42:54 Q. Okay. Let's look at a document.

(Bell Exhibit 17, 2/28/07 e-mail with attachment, Bates Numbers VIA01595639 to 641, marked for identification, as of this

04:43:31 date.)

Q. I just marked Exhibit 17, document produced by Viacom, VIA01595639 to 641. And it's an e-mail of 28th of February 2007, with an attachment that

04:43:52 consists of a letter from Blair Westlake at Microsoft.

A. Never say never. I do now recall it. I just, you know, answered too quickly. Anyway, this has jogged my

04:44:16 memory.

Q. Good, good. So what do you now recall about Soapbox?

A. That it was the name of some kind of a technology that Microsoft, I

04:44:28 think, was proposing. I'm actually not

Schapiro Exhibit 170

UNITED STATES DISTRICT COURT

FOR THE SOUTHERN DISTRICT OF NEW YORK

VIACOM INTERNATIONAL INC., COMEDY PARTNERS, COUNTRY MUSIC TELEVISION, INC., PARAMOUNT PICTURES CORPORATION, and BLACK ENTERTAINMENT TELEVISION LLC,	)	Case No.
Plaintiffs,	)	1:07CV02103
vs.	)	
YOUTUBE, INC., YOUTUBE, LLC, and GOOGLE, INC.,	)	
Defendants.	)	

VIDEOTAPED DEPOSITION OF LEE L'ARCHEVESQUE
NEW YORK, NEW YORK
Thursday, February 18, 2010

REPORTED BY:
ERICA RUGGIERI, CSR, RPR
JOB NO: 18753

February 18, 2010

9:22 a.m.

VIDEOTAPED DEPOSITION OF LEE L'ARCHEVESQUE, held at the offices of Mayer Brown, 1675 Broadway, New York, New York, pursuant to notice, before Erica L. Ruggieri, Registered Professional Reporter and Notary Public of the State of New York.

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ALSO PRESENT:

MANUEL ABREU, Videographer

technology to be effective?

A. I have not heard that there have been major concerns with the matching

01:58:20 ability or the technology.

Q. Has the YouTube video fingerprinting technology been of use to Viacom in identifying content on the YouTube website?

01:58:34 A. Yes.

Q. So since Q1 or Q2, 2008, do you know the volume of video clips that have been identified on YouTube, using YouTube's video fingerprinting technology?

01:58:56 A. No, I don't have that data.

Q. Now, you are aware that there have been -- that some number of clips have been identified using the technology?

A. Yes.

01:59:08 Q. Okay. Now, has Viacom instructed YouTube to block or remove all of the videos that have been identified on YouTube, using the YouTube video fingerprinting technology?

01:59:25 A. I think the general rule is to

block all. But the ability, as we discussed earlier, to apply business rules to specific pieces of content I believe
01:59:35 does exist.

Q. Are you aware that Viacom has -- let me ask it this way.

Is one of the business use rules that can be applied, using the YouTube
01:59:56 technology, a rule that allows content owners to designate different rules or how their content is displayed in different geographic regions?

A. I'm familiar with the business
02:00:12 rule. I don't know if it's available in YouTube.

Q. So you don't know whether Viacom has applied different rules to content that's been matched on YouTube, depending
02:00:23 on what part of the world the content would be displayed in?

A. I don't know.

Q. Okay. Are you aware of any other UGC websites other than YouTube that
02:00:37 have developed and implemented their own

video fingerprinting technology?

A. No.

Q. Are you able to compare the

02:00:57 video fingerprinting technology that's currently implemented on YouTube with the fingerprinting technology that's been implemented on other popular UGC websites?

A. Well, for comparison, it's

02:01:15 really comparison to Audible Magic versus our other partners; and, you know, the matching technology, based on our experience, seems similar.

The big difference is in the

02:01:29 limitations, if you will, of the format that data needs to be in, in order to fingerprint from YouTube.

Q. And when you talk about the format that the data needs to be in, when

02:01:53 fingerprinted, that's what you spoke about earlier?

A. That's the requirement to fingerprint off of an AVI.

Q. Putting aside the way that the

02:02:06 fingerprints are generated, just talking

about the matching capabilities, your testimony is that the capabilities are similar?

02:02:26 A. Yes.

MR. WILLEN: I think we have to change the tape. I'm getting urgent signals.

THE VIDEOGRAPHER: The time is

02:02:38 2:03 p.m. This ends DVD two in the video deposition of Lee L'Archevesque.

(Whereupon, there is a recess in the proceedings.)

THE VIDEOGRAPHER: The time is

02:18:07 2:12 p.m. This is the beginning of DVD number three in the video deposition of Lee L'Archevesque.

Q. Right before the break I was asking you if you could compare the

02:18:23 effectiveness of YouTube's technology to other technologies that have been implemented to do filtering on UGC websites. And you said that led you to compare the YouTube technology with

02:18:36 Audible Magic.